EXHIBIT 29

DATE 3.26.07

SB 152

Amendments to Senate Bill No. 152 3rd Reading Copy

Requested by Representative Michael Lange

For the House Education Committee

Prepared by Greg Petesch March 26, 2007 (12:38pm)

1. Title, line 15. Following: line 14

Insert: "OR AN EARLY CHILDHOOD DEVELOPMENT PROGRAM"

2. Title, line 18.

Following: "SCHOOLS;"

Insert: "INCREASING THE BASIC ENTITLEMENT PAYMENT AND MAKING THE PAYMENTS BASED UPON A CALCULATED BASIC ENTITLEMENT UNIT; PROVIDING A PER-CLASSROOM PAYMENT;"

3. Title, line 20. Following: "20-6-104,"

Insert: "20-7-102,"

4. Title, line 21.

Following: "20-9-327,"
Insert: "20-9-344,"

5. Page 9, line 6.

"20-7-102. Accreditation of schools. (1) The conditions
under which each elementary school, each middle school, each
junior high school, 7th and 8th grades funded at high school
rates, and each high school operates must be reviewed by the
superintendent of public instruction to determine compliance with
the standards of accreditation. The accreditation status of each
school must then be established by the board of public education
upon the recommendation of the superintendent of public
instruction. Notification of the accreditation status for the
applicable school year or years must be given to each district by
the superintendent of public instruction.

- (2) A school may be accredited for a period consisting of 1, 2, 3, 4, or 5 school years, except that multiyear accreditation may be granted only to schools that are in compliance with 20-4-101.
- (3) A nonpublic school may, through its governing body, request that the board of public education accredit the school. Nonpublic schools may be accredited in the same manner as

provided in subsection (1).

(4) As used in this section, "7th and 8th grades funded at high school rates" means an elementary school district or K-12 district elementary program whose 7th and 8th grades are funded as provided in 20-9-306(14)(c)(ii) 20-9-306(15)(c)(ii)."

{Internal References to 20-7-102:

 $15-70-356 \times 20-2-121 \times$

20-3-106 x

20-6-501x

 $20-6-501 \times 20-26-603x$

Renumber: subsequent sections

6. Page 9, line 8.

Following: "Kindergarten"

Insert: ", early childhood development,"

7. Page 9, line 21.

Following: "aid."

Insert: "(3) The trustees of an elementary district who do not designate a kindergarten program as a full-time program shall establish an early childhood development program. The early childhood development program must focus on the educational needs of children enrolled in kindergarten through grade 3. The trustees of an elementary district establishing an early childhood development program shall ensure that all ANB funding received for 5-year-old children is used in the early childhood development program and is not diverted to other programs. The office of public instruction may develop reporting and tracking procedures to ensure that the requirements of this subsection are complied with."

8. Page 10, line 5.

Following: line 4

Insert: "(e) the per-classroom payment;"

Renumber: subsequent subsections

9. Page 10, line 9.

Following: "student payment,"

Insert: "100% of the per-classroom payment,"

10. Page 10, line 19.

Strike: "district"

Insert: "basic entitlement unit"

11. Page 10, line 20.

Strike: "\$236,552"

Insert: "\$270,000"

12. Page 10, line 21.

Strike: "\$243,649"

Insert: "\$278,100"

13. Page 10, line 22.

Following: "school"

Strike: "district"

Insert: "basic entitlement unit"
Following: "district elementary"

Strike: "program"

Insert: "basic entitlement unit"

14. Page 10, line 24.

Strike: "\$21,290"
Insert: "\$45,000"

15. Page 10, line 25.

Strike: "\$21,929" Insert: "\$46,350"

16. Page 10, line 26.

Following: "school"

Strike: "district"

Insert: "basic entitlement unit"
Following: "district elementary"

Strike: "program"

Insert: "basic entitlement unit"

17. Page 10, line 30.

Strike: "program"

Insert: "basic entitlement unit"

18. Page 11, line 1.

Strike: "\$21,290"

Insert: "\$45,000"

19. Page 11, line 2.

Strike: "\$21,929"

Insert: "\$46,350"

20. Page 4, line 3.

Following: "(ii)"

Insert: "(A)"

21. Page 11, line 4.

Strike: "\$55,500"

Insert: "\$85,000"

Following: "high school"

Strike: "program"

Insert: "basic entitlement unit"

Following: "middle school"

Strike: "program"

Insert: "basic entitlement unit for fiscal year 2008; and

- (B) \$87,550 for an approved and accredited junior high school basic entitlement unit or middle school basic entitlement unit for each succeeding fiscal year"
- 22. Page 11, line 5.

Following: line 4

Insert: "(7)(a) "Basic entitlement unit" means, subject to
 subsection (7)(b):

(i) 800 ANB for a high school district;

(ii) 250 ANB for an elementary district; and

(iii) 450 ANB for a junior high school or middle school.

(b) Each school district must receive a payment for at least 1 basic entitlement unit. A district with ANB greater than the applicable number described in subsection (7)(a) must receive an additional unit calculated by dividing the actual ANB by the appropriate number in subsection (7)(a) and rounding that number to the nearest tenth."

Renumber: subsequent subsections

23. Page 11, lines 28 through 30.

Strike: "the first" on line 28

Insert: "each"

Following: "is" on line 28

Strike: remainder of line 28 through "ANB" on line 30

24. Page 12, line 3 through 5.

Strike: "the first" on line 3

Insert: "each"

Following: "is" on line 3

Strike: remainder of line 3 through "ANB" on line 5

25. Page 12, lines 9 through 11.

Strike: "the first" on line 9

Insert: "each"

Following: "is" on line 9

Strike: remainder of line 9 through "ANB" on line 11

26. Page 12, line 13 through line 15.

Strike: "the first" on line 13

Insert: "each"

Following: "is" on line 13

Strike: remainder of line 13 through "ANB" on line 15

27. Page 12, line 16.

Following: line 15

Insert: "(16) "Total per-classroom payment" means the payment

calculated as provided in [section 21]."
Renumber: subsequent subsection

28. Page 12, line 16. **Strike:** "\$2,790 times"

29. Page 12, line 17.

Following: "20-9-327"

Insert: "times:

(a) \$2,100 for fiscal year 2008; and

(b) \$2,163 for each succeeding fiscal year"

30. Page 16, line 29.

Following: "program"

Insert: "or implementing an early childhood development program"

31. Page 16, line 30.

Following: "kindergarten"

Insert: "or implementing an early childhood development program"

32. Page 21, line 5.

Following: "program"

Insert: "or implementing an early childhood development program"

33. Page 21, line 6.

Following: "kindergarten"

Insert: "or implementing an early childhood development program"

34. Page 25, line 8.

Following: "20-1-301"

Insert: "or implementing an early childhood development program
 as described in 20-7-117"

35. Page 29, line 3.

Insert: "NEW SECTION. Section 21. Per-classroom payment. (1) The state shall provide a per-classroom payment to public school districts as defined in 20-6-101 and 20-6-701. The per-classroom payment is \$2,100 for fiscal year 2008 and \$2,163 for each succeeding fiscal year.

- (2) The number of classrooms for each school district is calculated based on the maximum number of students that may be in each classroom according to the accreditation standards and is adjusted as provided in subsection (4). The student-teacher ratio for a classroom is based upon the size category for an elementary school district or a high school district as described in subsection (3).
- (3) (a) The size of an elementary school district or a K-12 elementary program is the larger of the current year ANB or the average 3-year ANB calculated as provided in 20-9-311. The size categories are as follows:

- (i) "E6" means an elementary school district or a K-12 elementary program with less than 41 ANB;
- (ii) "E5" means an elementary school district or a K-12 elementary program with at least 41 ANB, but not more than 150 ANB:
- (iii) "E4" means an elementary school district or a K-12 elementary program with at least 151 ANB, but not more than 400 ANB:
- (iv) "E3" means an elementary school district or a K-12 elementary program with at least 401 ANB, but not more than 850 ANB;
- (v) "E2" means an elementary school district or a K-12 elementary program with at least 851 ANB, but not more than 2,500 ANB;
- (vi) "E1" means an elementary school district or a K-12 elementary program with more than 2,500 ANB.
- (b) The size of a high school district or a K-12 high school program is the larger of the current year ANB or the average 3-year ANB calculated as provided in 20-9-311. The size categories are as follows:
- (i) "H5" means a high school district or a K-12 high school program with less than 75 ANB;
- (ii) "H4" means a high school district or a K-12 high school program with at least 75 ANB, but not more than 200 ANB;
- (iii) "H3" means a high school district or a K-12 high school program with at least 201 ANB, but not more than 400 ANB;
- (iv) "H2" means a high school district or a K-12 high school program with at least 401 ANB, but not more than 1,250 ANB;
- (v) "H1" means a high school district or a K-12 high school program with more than 1,250 ANB.
- (4) (a) Subject to subsection (4)(b), the student-teacher ratios used to determine the number of classrooms for the per-classroom payment are based on the size categories in subsection (3) and are as follows:
 - (i) E6, 8.6 students per teacher;
 - (ii) E5, 13.5 students per teacher;
 - (iii) E4, 15.4 students per teacher;
 - (iv) E3, 16.6 students per teacher;
 - (v) E2, 17.9 students per teacher;
 - (vi) E1, 19 students per teacher;
 - (vii) H5, 8.5 students per teacher;
 - (viii) H4, 14.4 students per teacher;
 - (ix) H3, 16.6 students per teacher;
 - (x) H2, 17.7 students per teacher; and
 - (xi) H1, 19 students per teacher.
- (b) Each elementary district must have a minimum of 1 classroom and each high school district must have a minimum of 5 classrooms."

distribution of BASE aid. (1) The board of public education shall administer and distribute the BASE aid and state advances for county equalization in the manner and with the powers and duties provided by law. The board of public education:

- (a) shall adopt policies for regulating the distribution of BASE aid and state advances for county equalization in accordance with the provisions of law;
- (b) may require reports from the county superintendents, county treasurers, and trustees that it considers necessary; and
- (c) shall order the superintendent of public instruction to distribute the BASE aid on the basis of each district's annual entitlement to the aid as established by the superintendent of public instruction. In ordering the distribution of BASE aid, the board of public education may not increase or decrease the BASE aid distribution to any district on account of any difference that may occur during the school fiscal year between budgeted and actual receipts from any other source of school revenue.
- (2) The board of public education may order the superintendent of public instruction to withhold distribution of BASE aid from a district when the district fails to:
- (a) submit reports or budgets as required by law or rules adopted by the board of public education; or
 - (b) maintain accredited status.
- (3) Prior to any proposed order by the board of public education to withhold distribution of BASE aid or county equalization money, the district is entitled to a contested case hearing before the board of public education, as provided under the Montana Administrative Procedure Act.
- (4) If a district or county receives more BASE aid than it is entitled to, the county treasurer shall return the overpayment to the state upon the request of the superintendent of public instruction in the manner prescribed by the superintendent of public instruction.
- (5) Except as provided in 20-9-347(2), the BASE aid payment must be distributed according to the following schedule:
- (a) from August to October of the school fiscal year, to each district 10% of:
 - (i) direct state aid;
 - (ii) the total quality educator payment;
 - (iii) the total at-risk student payment;
 - (iv) the total per-classroom payment;
 - (iv) (v) the total Indian education for all payment; and
 (v) (vi) the total American Indian achievement gap payment;
- (b) from December to April of the school fiscal year, to each district 10% of:
 - (i) direct state aid;
 - (ii) the total quality educator payment;
 - (iii) the total at-risk student payment;
 - (iv) the total per-classroom payment;
 - (iv) (v) the total Indian education for all payment; and

- (v) (vi) the total American Indian achievement gap payment;
- (c) in November of the school fiscal year, one-half of the guaranteed tax base aid payment to each district or county that has submitted a final budget to the superintendent of public instruction in accordance with the provisions of 20-9-134;
- (d) in May of the school fiscal year, the remainder of the guaranteed tax base aid payment to each district or county; and
- (e) in June of the school fiscal year, the remaining payment to each district of direct state aid, the total quality educator payment, the total at-risk student payment, the total per-classroom payment, the total Indian education for all payment, and the total American Indian achievement gap payment.
- (6) The distribution provided for in subsection (5) must occur by the last working day of each month."

{Internal References to 20-9-344:

20-2-121x 20-9-314 x 20-9-314 x 20-9-347x

 $20-9-347 \times 20-9-347 \times 20-9-368x$

Renumber: subsequent sections

36. Page 32, line 3.

Strike: "24(3)" **Insert:** "27(3)"

37. Page 33, line 16.

Strike: "[Section 8] is"

Insert: "[Sections 8 and 21] are"

38. Page 33, line 17.

Strike: "[section 8]"

Insert: "[sections 8 and 21]"

39. Page 33, line 20.

Strike: "22"

Insert: "25"

Strike: "24"

Insert: "27"

40. Page 33, line 21.

Strike: "22"

Insert: "25"

Strike: "24"

Insert: "27"

41. Page 33, line 25.

Strike: "26"

Insert: "29"

Strike: "28"

Insert: "31"